

# ***National Credit Union Administration***



## ***Operating Fund***

***Financial Highlights  
April 30, 2012***

*Mary Ann Woodson*

**Mary Ann Woodson  
Chief Financial Officer**

# **NATIONAL CREDIT UNION ADMINISTRATION OPERATING FUND**

## **FINANCIAL HIGHLIGHTS AS OF APRIL 30, 2012**

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### **Balance Sheets**

Cash and cash equivalents had a month-end balance of approximately \$92.5 million. Its balance increased \$74.5 million primarily due to the collection of annual operating fees. The cash position is considered to be sufficient to cover current and future obligations of the Fund.

### **Statements of Revenues, Expenses, and Changes in Fund Balance**

Net income for the month was \$289,000. Interest income on overnight investments has averaged 0.04% during the year, versus 0.04% during the same period last year.

### **Statements of Cash Flow**

The cash position increased \$74.5 million since last month. Operating activities generated the major portion of the net change in cash. Also, a total of \$200,000 was invested in new capital assets, and a total of \$112,000 in cash was used to reduce or repay the NCUSIF note payable long-term liability, which has a balance of \$15.3 million on the balance sheet.

### **Budget (Year-to-Date)**

Agency spending was under the year-to-date budget by \$10.1 million or 12.9 percent, compared to being under the year-to-date budget by approximately \$8.1 million or 10.8 percent during the same period last year. Of the total variance, employee pay and benefits was under budget by \$2.8 million or 5.0%, travel was under budget by \$2.6 million or 28.4%, and the remaining expense categories combined were under budget by \$4.7 million or 36.5%.

The average annualized travel spend per FTE has been \$16,496 this year, which is \$1,118 less than last year.

### **Vacancies**

The Agency had 84 vacancies as of this month -- up 1 from the prior month. Of the 84 vacancies, 42 were in the central office and 42 were in the regions and AMAC. The 84 vacancies represent 6.7% percent of total authorized staff of 1,259.50.

# NATIONAL CREDIT UNION ADMINISTRATION OPERATING FUND

## BALANCE SHEETS

AS OF APRIL 30, 2012 AND APRIL 30, 2011

(Dollars in thousands)

	4/30/2012	3/31/2012	4/30/2011
<b>ASSETS</b>			
CASH AND CASH EQUIVALENTS	\$ 92,456	\$ 17,940	\$ 87,870
DUE FROM NATIONAL CREDIT UNION SHARE INSURANCE FUND	-	-	865
EMPLOYEE ADVANCES	217	187	84
OTHER ACCOUNTS RECEIVABLE	1,279	82,793	1,551
PREPAID EXPENSES AND OTHER ASSETS	1,348	816	1,493
ASSETS HELD FOR SALE	890	397	198
FIXED ASSETS — Net of accumulated depreciation of \$25,991 as of April 30, 2012	31,573	31,559	31,339
INTANGIBLE ASSETS — Net of accumulated amortization of \$9,450 as of April 30, 2012	<u>6,302</u>	<u>6,572</u>	<u>5,174</u>
<b>TOTAL</b>	<b><u>\$ 134,065</u></b>	<b><u>\$ 140,264</u></b>	<b><u>\$ 128,574</u></b>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>LIABILITIES:</b>			
Accounts payable	\$ 63,446	\$ 70,349	\$ 59,836
Obligations under capital leases	58	58	24
Accrued wages and benefits	6,024	5,497	5,233
Accrued annual leave	12,699	12,699	11,401
Accrued employee travel	-	-	-
Note payable to National Credit Union Share Insurance Fund	<u>15,309</u>	<u>15,421</u>	<u>16,650</u>
Total Liabilities	97,536	104,024	93,144
<b>COMMITMENTS AND CONTINGENCIES</b>			
FUND BALANCE	<u>36,529</u>	<u>36,240</u>	<u>35,430</u>
<b>TOTAL</b>	<b><u>\$ 134,065</u></b>	<b><u>\$ 140,264</u></b>	<b><u>\$ 128,574</u></b>

**NATIONAL CREDIT UNION ADMINISTRATION  
OPERATING FUND**

**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE  
FOR THE PERIODS ENDED APRIL 30, 2012 AND APRIL 30, 2011  
(Dollars in thousands)**

	YEAR-TO-DATE		MONTH	
	2012	2011	2012	2011
<b>REVENUES:</b>				
Operating fees	\$ 29,654	\$ 28,684	\$ 7,407	\$ 7,174
Interest	8	9	4	1
Other	<u>397</u>	<u>228</u>	<u>80</u>	<u>71</u>
Total Revenues	30,059	28,921	7,491	7,246
<b>EXPENSES, NET:</b>				
Employee wages and benefits, net	21,029	19,812	5,123	5,476
Travel	2,508	2,546	737	916
Rent, communications, and utilities	630	528	237	178
Contracted services	1,908	1,626	642	563
Other	<u>1,576</u>	<u>1,887</u>	<u>463</u>	<u>635</u>
Total Expenses	<u>27,651</u>	<u>26,399</u>	<u>7,202</u>	<u>7,768</u>
EXCESS OF REVENUES OVER EXPENSES	2,408	2,522	289	(522)
FUND BALANCE—Beginning of year	<u>34,121</u>	<u>32,908</u>	<u>36,240</u>	<u>35,952</u>
FUND BALANCE—End of year	<u>\$ 36,529</u>	<u>\$ 35,430</u>	<u>\$ 36,529</u>	<u>\$ 35,430</u>

# NATIONAL CREDIT UNION ADMINISTRATION OPERATING FUND

## STATEMENTS OF CASH FLOWS FOR THE PERIODS ENDED APRIL 30, 2012 AND APRIL 30, 2011 (Dollars in thousands)

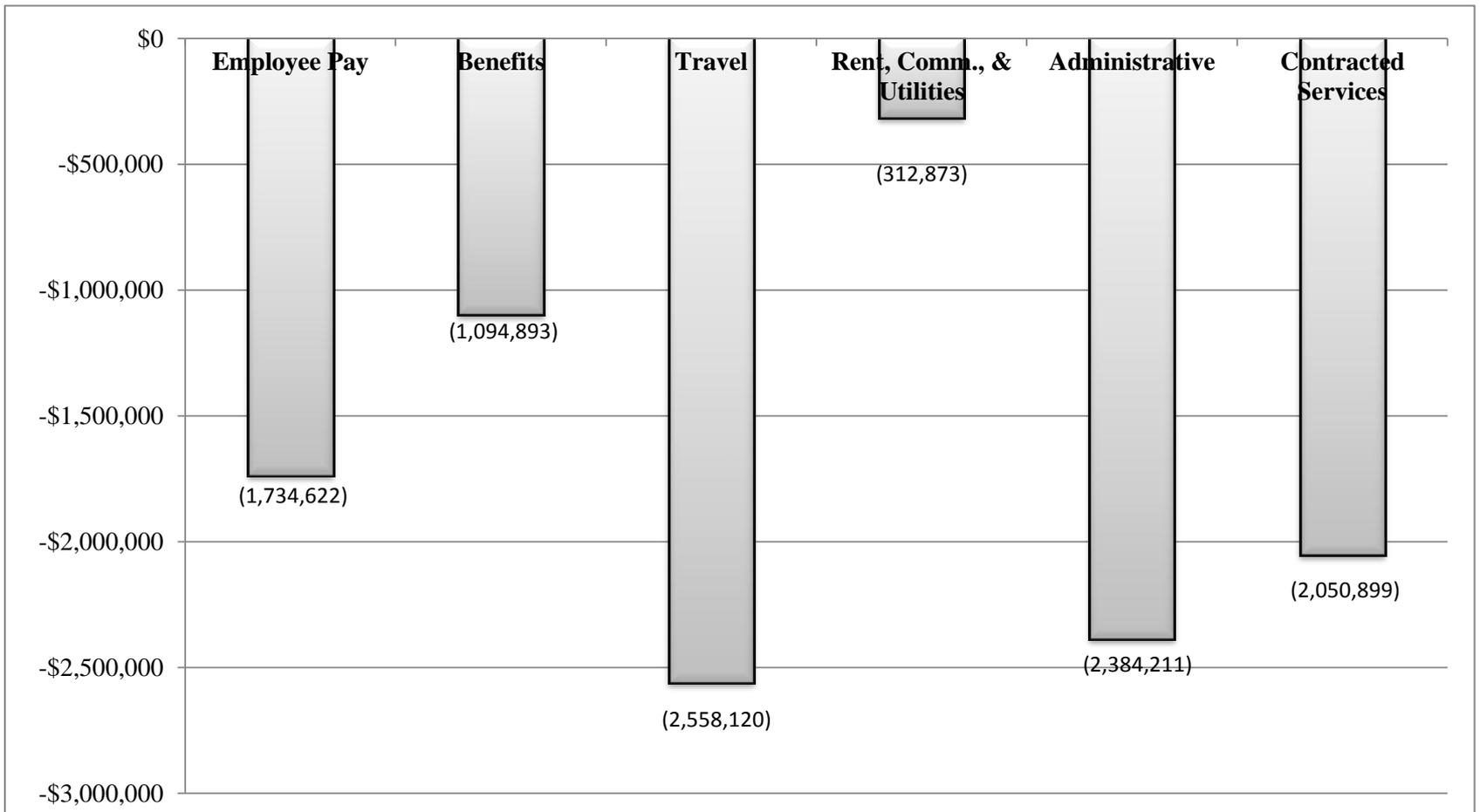
	YEAR-TO-DATE		MONTH	
	2012	2011	2012	2011
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Excess of revenues over expenses	\$ 2,408	\$ 2,522	\$ 289	\$ (522)
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities:				
Depreciation and amortization	1,881	1,625	455	343
Provision for loss on disposal of employee residences held for sale	18	84	(3)	-
(Gain) loss on fixed asset retirements	(3)	-	-	-
(Increase) decrease in assets:				
Due from National Credit Union Share Insurance Fund	1,182	1,992	-	(861)
Employee advances	(174)	(34)	(30)	(12)
Other accounts receivable	(394)	(1,202)	81,514	20,095
Prepaid expenses and other assets	(333)	(122)	(532)	(9)
(Decrease) increase in liabilities:				
Accounts payable	56,372	54,793	(6,903)	57,884
Accrued wages and benefits	(3,271)	(3,348)	527	(5,029)
Accrued annual leave	-	-	-	-
Accrued employee travel	(628)	(532)	-	-
Net cash provided by operating activities	<u>57,058</u>	<u>55,778</u>	<u>75,317</u>	<u>71,889</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Purchases of fixed assets	(652)	(517)	(200)	(109)
Proceeds from disposal of fixed assets	25	-	-	-
Purchases of employee residences held for sale	(820)	(173)	(667)	-
Proceeds from sale of employee residences held for sale	310	584	178	-
Net cash used in investing activities	<u>(1,137)</u>	<u>(106)</u>	<u>(689)</u>	<u>(109)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>				
Repayments of note payable to National Credit Union Share Insurance Fund	(447)	(447)	(112)	(112)
Principal payments under capital lease obligations	-	-	-	-
Net cash used in financing activities	<u>(447)</u>	<u>(447)</u>	<u>(112)</u>	<u>(112)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	55,474	55,225	74,516	71,668
CASH AND CASH EQUIVALENTS—Beginning of year	<u>36,982</u>	<u>32,645</u>	<u>17,940</u>	<u>16,202</u>
CASH AND CASH EQUIVALENTS—End of year	<u>\$ 92,456</u>	<u>\$ 87,870</u>	<u>\$ 92,456</u>	<u>\$ 87,870</u>
CASH PAYMENTS FOR INTEREST	<u>\$ 102</u>	<u>\$ 119</u>	<u>\$ 25</u>	<u>\$ 30</u>

**NATIONAL CREDIT UNION ADMINISTRATION  
OPERATING FUND**

**YEAR-TO-DATE BUDGET REPORT ANALYSIS (BEFORE OVERHEAD TRANSFER RATE)\*  
AS OF APRIL 30, 2012 AND APRIL 30, 2011**

	2012				2011			
	BUDGET	ACTUAL	DIFF	%	BUDGET	ACTUAL	DIFF	%
<b>Employee Pay</b>	42,422,469	40,687,847	(1,734,622)	-4.1%	41,531,951	38,775,976	(2,755,975)	-6.6%
<b>Benefits</b>	13,861,332	12,766,439	(1,094,893)	-7.9%	12,329,725	11,268,239	(1,061,486)	-8.6%
<b>Travel</b>	9,021,921	6,463,801	(2,558,120)	-28.4%	8,148,622	6,603,077	(1,545,545)	-19.0%
<b>Rent, Comm., &amp; Utilities</b>	1,826,128	1,513,255	(312,873)	-17.1%	1,709,341	1,298,939	(410,402)	-24.0%
<b>Administrative</b>	4,486,397	2,102,186	(2,384,211)	-53.1%	4,483,962	4,583,697	99,735	2.2%
<b>Contracted Services</b>	6,678,885	4,627,986	(2,050,899)	-30.7%	6,387,004	3,973,386	(2,413,618)	-37.8%
<b>TOTAL</b>	78,297,132	68,161,514	(10,135,618)	-12.9%	74,590,605	66,503,314	(8,087,291)	-10.8%

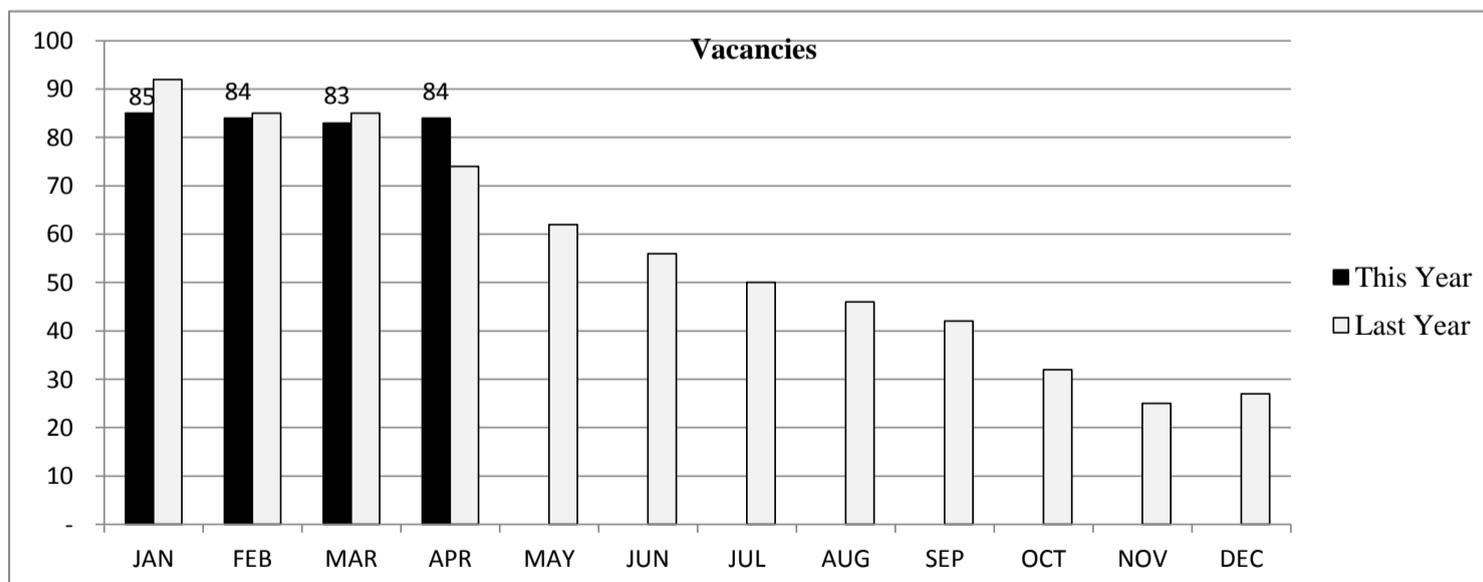
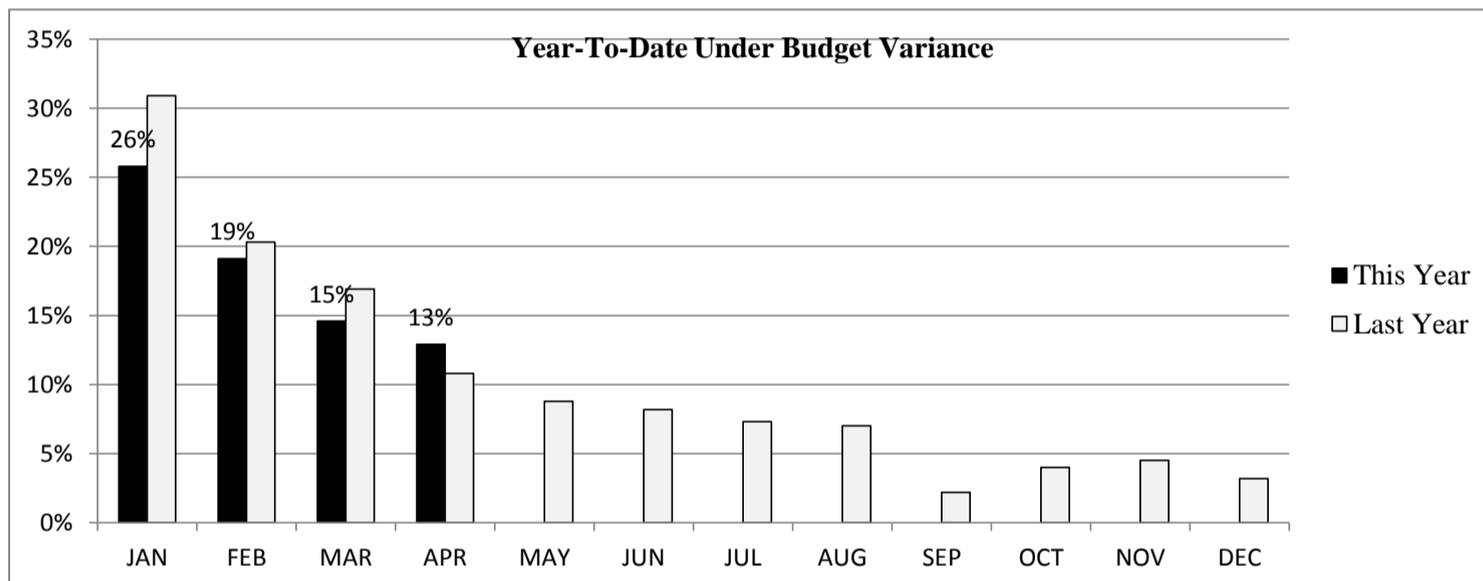
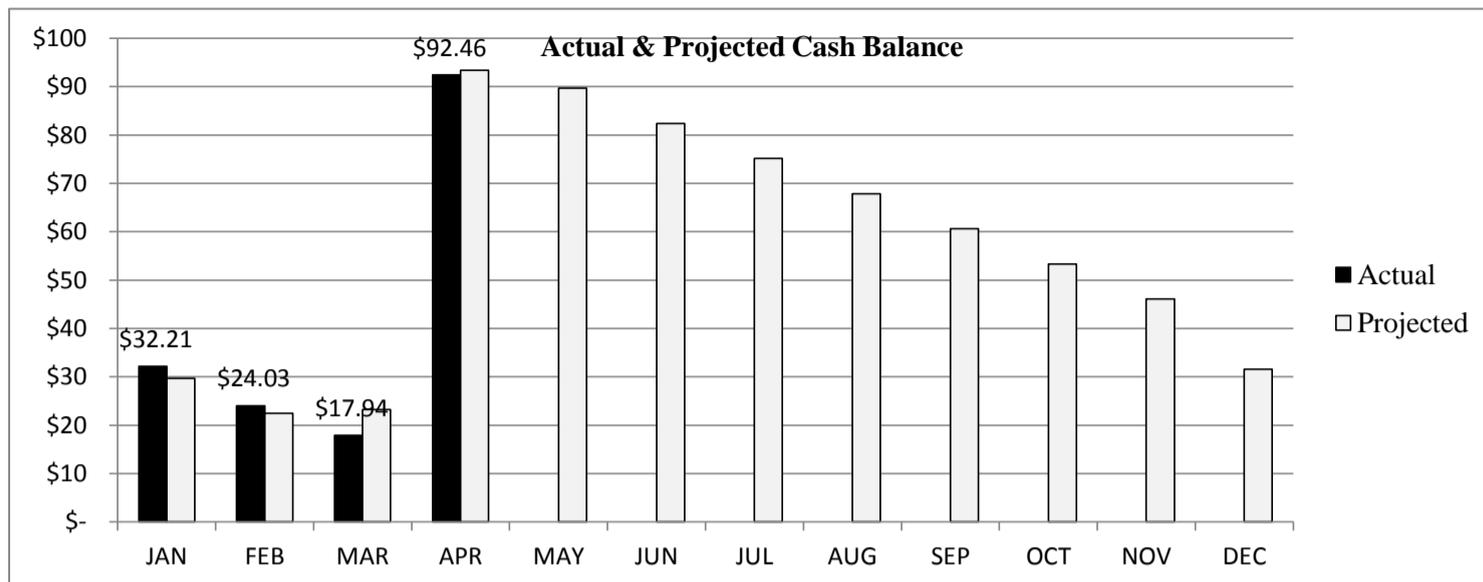
**Amount Over (Under) Budget**



**NATIONAL CREDIT UNION ADMINISTRATION  
OPERATING FUND**

**GRAPHS AND RATIOS**

**AS OF APRIL 30, 2012 AND APRIL 30, 2011**



	4/30/2012	4/30/2011
Retained earnings / Total assets	27.25%	27.56%
YTD interest income to average investments (annualized)	0.04%	0.04%
Annualized travel spend per employee	\$16,496	\$17,614
Net year to date cash inflow (outflow) in millions of dollars	\$55	\$55
Cash and overnight investments / Total assets	68.96%	68.34%
Overhead transfer rate	59.30%	58.90%